

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WEST OLDHAM)	
UTILITIES, INC. FOR AUTHORIZATION)	CASE NO.
TO TRANSFER ASSETS TO THE)	95-124
LOUISVILLE WATER COMPANY)	

O R D E R

West Oldham Utilities, Inc. ("West Oldham") has applied for approval of the sale of its assets to the Louisville Water Company.

Having considered the application and being otherwise sufficiently advised, the Commission finds that:

1. West Oldham operates a water distribution system which serves approximately 528 residential, commercial, and industrial customers in Oldham County, Kentucky.

2. West Oldham purchased its water distribution system from the Louisville Water Company in 1977 and has operated it since then.

3. West Oldham currently purchases its total water requirements from the Louisville Water Company.

4. West Oldham has agreed to transfer its water distribution system and other assets to the Louisville Water Company for approximately \$326,944 and other valuable consideration.

5. The Louisville Water Company has been in existence and provided continuous operations for over 100 years.

6. The city of Louisville is the owner of the Louisville Water Company.

7. The Louisville Water Company currently provides water service to approximately 224,731 customers in Jefferson, Oldham, and Bullitt counties.

8. The Louisville Water Company has two water treatment plants with a total production capacity of 270 million gallons per day ("MGD"). These plants are operated by persons certified as operators of a Class IVA water treatment plant as set out in 401 KAR 8:030, Section 8(2)(g).

9. The Louisville Water Company has approximately 2,850 miles of transmission and distribution mains which range in size up to 60 inches. It has treated storage capacity of 56.5 million gallons. These facilities are operated by persons certified as operators of a Class IVD water distribution system as set out in 401 KAR 8:030, Section 8(3)(d).

10. The Louisville Water Company's average daily pumpage in 1993 was 117 MGD.

11. An independent firm inspected the Louisville Water Company's facilities in June 1994 and reported that these facilities "are adequately maintained and are in sound operating condition."

12. As of December 31, 1993, the Louisville Water Company had total utility plant of \$295,480,520.

13. As of December 31, 1993, the Louisville Water Company had total assets of \$362,922,129.

14. As of December 31, 1993, the Louisville Water Company had total equity capital of \$173,680,881 and other liabilities and credits of \$189,313,248.

15. The Louisville Water Company has the financial, managerial, and technical abilities to provide reasonable utility service to the persons whom West Oldham currently serves.

IT IS THEREFORE ORDERED that:

1. The transfer of West Oldham's water distribution system and other assets to the Louisville Water Company pursuant to the terms of the March 23, 1995 Distribution System Purchase Agreement is approved.

2. Within 10 days of the transfer of legal title of West Oldham's water distribution system to the Louisville Water Company, West Oldham shall notify the Commission of that event.

3. Until the transfer of ownership occurs, the Commission shall retain jurisdiction over West Oldham's water distribution system and West Oldham shall continue to comply with all Commission regulations, including those which require the timely filing of any information, notice, or reports.

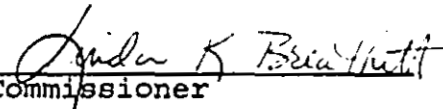
4. West Oldham shall file an annual report for 1995 which reflects its operations until the transfer of its water distribution system to the Louisville Water Company.

Done at Frankfort, Kentucky, this 22nd day of May, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director